



PLANNING COMMISSION MEETING STAFF REPORT JANUARY 26, 2005

Project:	THE GLOBE- (PLN2005-00061)
Proposal:	To consider a General Plan Amendment to change the land use designation from General Industrial with Commercial-Industrial Overlay to Commercial - High Volume Retail for two properties located in the Industrial Planning Area.
Recommendation:	Recommend to City Council
Location:	40517 and 40525 Albrae Street in the Industrial Planning Area. APNs 531-0240-034, 531-0240-035 (See aerial photo next page)
Area:	19.8-acre
People:	John Wynn, Imperial Investment & Development, Applicant Fred Kim, Imperial Investment & Development, Agent of Applicant Kevin Horn, RTKL Architects, Consultant John Wynn/China Village, LLC, Owner Scott Ruhland, Staff Planner (510) 494-4453, sruhland@ci.fremont.ca.us
Environmental Review:	A Focused Environmental Impact Report has been prepared and circulated for this project.
General Plan:	Existing: General Industrial with Commercial-Industrial Overlay Proposed: High-Volume Retail
Zoning:	Existing: Planned District, P-90-18 Proposed: No change proposed at this time.

EXECUTIVE SUMMARY:

The proposed project is a request for a General Plan Amendment to change the land use designation of the project site from General Industrial with Commercial-Industrial Overlay to High Volume Retail in order to develop approximately 295,000 square feet of regionally oriented, internationally themed retail, restaurant and entertainment uses. The project would consist of both new construction, and the improvement and conversion of existing buildings. Substantial site improvements, including access, circulation and landscaping would also be included. The project also includes adoption and certification of a Focused Environmental Impact Report that concentrated on air quality, traffic and hazardous materials mitigation for the project. The intent of the applicant is to request a Planned District rezoning for the property consistent with the new General Plan designation pending favorable recommendation and approval.



Figure 1: Aerial Photo (2002) of Project Site and Surrounding Area.



[1 inch = 375 feet]

SURROUNDING LAND USES:

- North: Vacant and Occupied Commercial Buildings
- South: Light Industrial
- East: Commercial Use (under construction)
- West: Light Industrial

BACKGROUND AND PREVIOUS ACTIONS:

The site has been historically used for commercial, industrial and warehousing purposes for the last 30 years. A former “Home Depot”, now furniture store, is located on one of the sites. A large warehouse building with some commercial tenants occupies the other site. The site is zoned Planned District, P-90-18, which was approved by the City Council on May 6, 1991 for the development of commercial and industrial uses on site. PLN2000-00248, Planned District Major Amendment, was approved by City Council on October 24, 2000 for one of the sites and the adjacent site to the west. This approval entitled the development of two retail buildings on the adjacent site, currently under construction. Since that time this property and adjacent sites have been sold to the current owner and developer.

The Planning Commission recently reviewed and recommended architectural changes to “Saigon Village”, which is located on the adjacent site. The City Council will consider “Saigon Village” at the February 7 City Council meeting.

PROJECT DESCRIPTION:

The proposed project consists of a General Plan Amendment and certification of a Focused Environmental Impact Report (EIR) to change the land use designation of two parcels from General Industrial with Commercial-Industrial Overlay to Commercial - High Volume Retail. The intent of the overall project is to redevelop these and adjacent sites with an internationally themed retail, restaurant and entertainment destination.

Future Considerations

Although only the change in land use and EIR are being considered at this time, the future development of these parcels as intended begins to raise questions over parking, access, street improvements and ensuring a successful development that operates and functions well. The applicant has not yet submitted a detailed development plan for the proposed use. Site details and specific requirements will be reviewed and applied during the Planned District rezoning portion of the project. However, staff has provided the following information in regards to some initial issues:

Parking

Future parking needs for the project will be carefully evaluated to ensure adequate parking is provided and there is no spill-over impact on adjacent uses. Limiting the number, or square footage, of restaurants will help balance the parking needs as restaurants typically demand a higher number of parking spaces. General practice in regards to parking requirements for the anticipated type of development is to allocate the shopping center rate, 1 space per 250 square feet of floor area. However, this allocation will be carefully scrutinized to help ensure parking problems do not result. Further, the site plan will be evaluated in a manner to anticipate heavy parking demand so that an area of the site may accommodate a parking structure if necessary in the future. Creative site planning and design will help ensure that parking impacts do not occur to on site or to adjacent uses.

Access and Circulation

Access to the site was evaluated as part of the Traffic Impact Analysis that was prepared by Hexagon Transportation Consultants. This analysis was the basis for the transportation portion of the EIR and resulted in numerous mitigation measures to improve traffic operations in the vicinity of the site.

Implementation of the mitigation measures will improve area circulation and ingress/egress into the site to an acceptable level of service in regards to overall traffic demand created by the project.

Encyclopedia Circle

Improvements to Encyclopedia Circle are anticipated and will be required with this phase of the overall project. The level of improvements will be reviewed and evaluated as part of the Planned District rezoning. The project site has frontage along Encyclopedia Circle and street improvements will be required per the City's "Street Right-of-Way and Improvement Ordinance". Encyclopedia Circle is classified as a minor industrial street with a right-of-way width of 64 feet and a pavement width of 44 feet. Current conditions consist of two travel lanes with no parking on either side. Improvements could include additional widening of the street to accommodate parking, sidewalks, landscaping and street lights. Further evaluation will be needed to determine the full extent of improvements that will occur.

PROJECT ANALYSIS:

General Plan Conformance:

The existing General Plan land use designation for the project site is General Industrial with Commercial-Industrial Overlay. The proposed General Plan land use designation for the project site is Commercial - High Volume Retail. The proposed project is consistent with the proposed General Plan land use designation for the project site because it is located on a site with convenient freeway access to Interstate 880 and convenient arterial access from Stevenson Boulevard. Improvements to Stevenson Boulevard, and other streets, will be implemented to accommodate the projected traffic load once the project is complete. Further, the site is located adjacent to an existing High Volume Retail designation and the proposed uses are not anticipated to impact nearby industrial uses.

The following General Plan Goals, Objectives and Policies are applicable to the proposed project:

FUNDAMENTAL GOAL 8: A DIVERSITY OF RESIDENTIAL, RECREATIONAL, CULTURAL, EMPLOYMENT AND SHOPPING OPPORTUNITIES.

LOCAL ECONOMY GOAL 3: A HIERARCHY OF WELL DEFINED, VITAL COMMERCIAL AREAS MEETING THE RETAIL SHOPPING, ENTERTAINMENT AND SERVICE NEEDS OF FREMONT.

Analysis

The project conforms to these goals because it intends to provide a new shopping and entertainment destination in Fremont. The project is focused on the ethnic diversity of the City and region and will transform a deteriorating and underutilized commercial area with hazardous material issues into a vital and diverse commercial area.

Land Use Policy 2.33: *"High Volume Retail" uses commonly have relatively large floor areas, do a very high sales volume, and generally sell bulky or large quantity goods. These types of uses usually require easy auto access and visibility from major transportation corridors. The following list of allowed uses for High-Volume Retail areas is descriptive rather than fully inclusive (Warehouse/Retail, Furniture, Home Improvement, Auto Sales, Eating and Drinking Establishments). Other uses may be allowed which achieve the intent of the plan*

as described in the Goals and Objectives and in the design and development policies. Residential uses are not allowed.

Analysis

The project conforms to this policy because a range of uses will be proposed as part of the development. Some uses may have large floor areas and result in large quantity stock, others may have smaller floor areas and sell smaller items, however, all will be oriented to the regional market. Eating and drinking establishments will be proposed, as well as other uses that achieve the intent of the High Volume Retail designation by targeting the regional market in a location convenient to freeway access. Residential uses are not proposed as part of the development, nor would they be allowed in the future.

Land Use Policy 2.34: *Expansion of currently designated High Volume Commercial areas should be allowed only when roadway capacity can be increased or projected congestion can be mitigated.*

Analysis

The project conforms to this policy because adequate roadway capacity will be provided in conjunction with development of the project site. The EIR prepared for the project evaluated traffic operations and roadway capacity based upon project trip generation. The EIR includes mitigation measures to widen, re-stripe and add traffic signals on both Albrae Street and Stevenson Boulevard.

Land Use Policy 2.35: *An area can be designated High Volume Retail if sufficient market demand indicates additional area within the City is required for this use. The criteria to be used in assessing whether to designate a site High Volume Retail shall include the following:*

- *Convenient access from a freeway. Visibility from the freeway is preferred.*
- *Convenient access from an arterial with sufficient road capacity to accommodate expected traffic at acceptable levels of service without adverse impacts on existing residential or industrial uses.*
- *The proposed retail sales area would not have an impact on existing industrial uses, and is not in the midst of existing industrial uses.*

Analysis

The project conforms to this policy because the request by the applicant has indicated that additional areas within the City are needed for this use. Further, the proposed site is conveniently located near the Stevenson Boulevard/Interstate 880 intersection; Stevenson Boulevard provides convenient access from an arterial and the proposed improvements will not disrupt existing levels of service. The proposed retail area is of such a nature and will be designed so that it will not have an impact on nearby industrial uses.

Land Use Policy 2.36: *High volume retail stores shall only be allowed in industrially designated areas meeting the identified criteria for conversion to a High Volume Commercial designation. High Volume retail stores should not be allowed in*

existing Community Commercial and shall be prohibited in Neighborhood Commercial areas.

Analysis

The project conforms to this policy because the proposed High Volume Retail area is adjacent to and within a former industrial area and meets the identified conversion as previously described.

Zoning Regulations:

The site is currently zoned Planned District, P-90-18. Assuming favorable recommendation and approval of the General Plan Amendment, it is the intent of the applicant to follow with a Planned District Major Amendment to rezone the site consistent with the General Plan designation.

Environmental Review:

A Focused Environmental Impact Report (EIR) has been prepared for this project. The environmental analysis identified concerns regarding potential impacts to air quality, transportation and hazardous materials. The EIR identifies one significant and unavoidable impact as it relates to traffic generated by the project increasing emissions and leading to a significant impact on regional air quality. Per the California Environmental Quality Act (CEQA), the significant and unavoidable impact to air quality requires certain Findings and a "Statement of Overriding Considerations" to be made prior to project approval. Those Findings and Statement are attached to this report as Exhibit "B".

The EIR includes mitigation measures for all other impacts which would reduce them to non-significant levels. A more detailed description of the potential impacts is provided within the Draft and Final EIR, which is included as an enclosure.

After the Draft Focused Environmental Impact Report was prepared, it was circulated and made available to the public for review and comment. The comment period was from October 14 to November 28, 2005, and included a hearing before the Planning Commission on November 17, 2005. Two resource agencies and two public agencies had minor comments on the Draft EIR. Those agencies include the Alameda County Congestion Management Agency, the State Department of Toxic Substances Control, the State Office of Planning and Research and the City of Fremont. All comments have been addressed in the Final EIR.

Mitigation Measures

The following is a summary of the mitigation measures as indicated in the EIR. Please see the Final EIR for a complete description of the project mitigation:

Mitigation Measure 3.1.1 – Dust Control Measures

Mitigation Measure 3.1.2 – Reduce Vehicle Trips

Mitigation Measure 3.2.1A – PCB Removal and Disposal

Mitigation Measure 3.2.1B – Maintain Access to all Existing Groundwater Monitoring Wells

Mitigation Measure 3.2.1C – Ongoing Groundwater Monitoring and Reporting

Mitigation Measure 3.2.2 – Preparation and Implementation of an Emergency Action Plan

Mitigation Measure 3.2.3 – Survey and Properly Handle Materials from Structures that may contain Asbestos or Lead Based Paint

Mitigation Measure 3.3.1 – Install Additional Northbound Left-Turn Lane on Albrae Street and Additional Eastbound Right-Turn Lane on Stevenson Boulevard.

Mitigation Measure 3.3.2A – Install Traffic Signal at Stevenson Boulevard and Main Project Driveway

Mitigation Measure 3.3.2B – Install Signal Interconnect on Stevenson Boulevard and Albrae Street

Mitigation Measure 3.3.3A – Widen Albrae Street

Mitigation Measure 3.3.3B – Install Traffic Signal at Main Access Intersection on Albrae Street

PUBLIC NOTICE AND COMMENT:

Public hearing notification is applicable. A total of 270 notices were mailed to owners and occupants of property within 300 feet of the site. The notices to owners and occupants were mailed on January 13, 2006. A Public Hearing Notice was published by The Argus on January 13, 2006.

In addition, two public hearing notices were mailed as a courtesy to interested parties.

ENCLOSURES:

Exhibits:

- Exhibit "A" General Plan Amendment Exhibit
- Exhibit "B" EIR Findings and Statement of Overriding Considerations
- Exhibit "C" Final EIR

Informational Items:

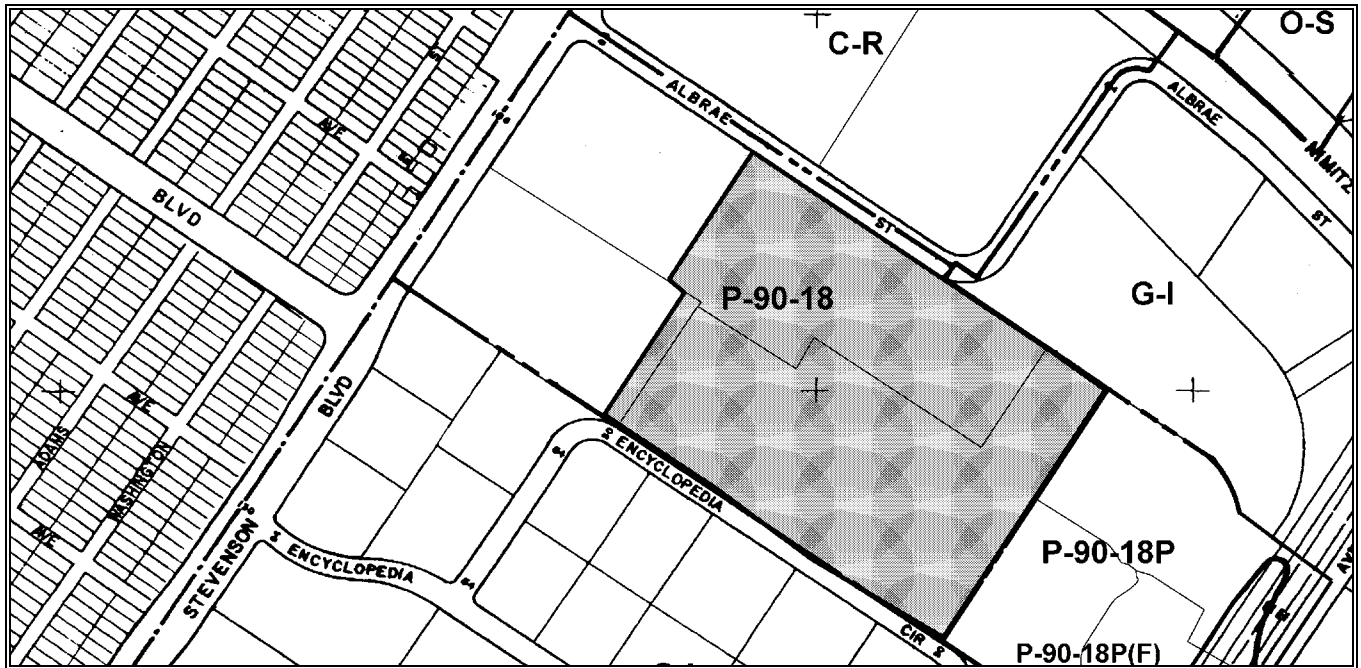
1. Conceptual Site Plan

RECOMMENDATION:

1. Hold public hearing.
2. Recommend that the City Council find that the initial study has evaluated the potential for this project to cause an adverse effect -- either individually or cumulatively -- on wildlife resources. There is no evidence the proposed project would have any potential for adverse effect on wildlife resources because the site is already developed with commercial uses.
3. Recommend that the City Council find that the benefits of the project outweigh the identified environmental impact to air quality as identified in Exhibit "B" Findings and Statement of Overriding Considerations.
4. Recommend that the City Council certify and adopt the Focused Environmental Impact Report and find that it reflects the independent judgment of the City of Fremont.
5. Find that the General Plan Amendment is in conformance with the relevant provisions contained in the City's existing General Plan. These provisions include the designations, goals and policies set forth in the General Plan's Land Use and Local Economy Chapters as enumerated within the staff report.

6. Recommend that the City Council approve the General Plan Amendment to amend the General Plan land use designation for PLN2005-00061 in conformance with Exhibit "A" (General Plan Amendment Exhibit).

Existing Zoning
Shaded Area represents the Project Site



Existing General Plan

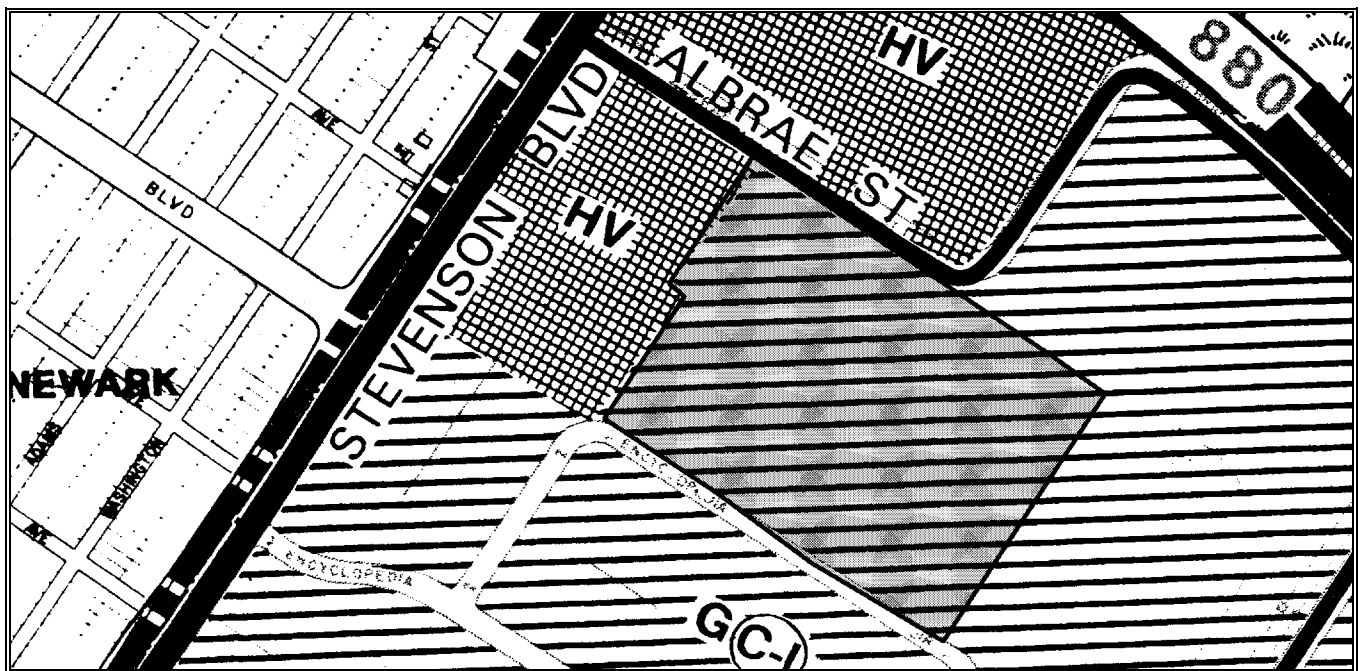


EXHIBIT “A”

Attached to and made a part of

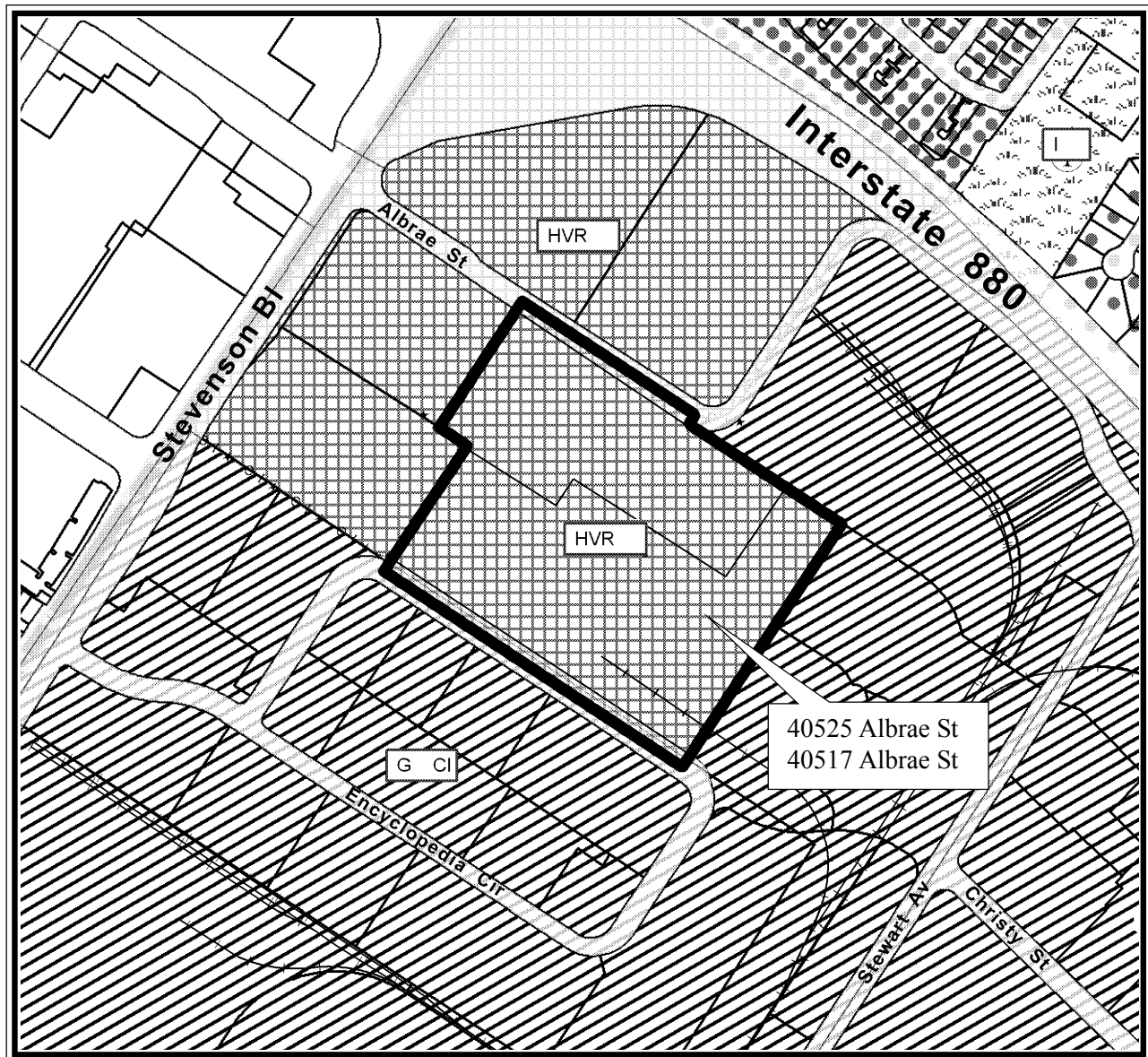
Resolution No. _____

adopted by the City Council of the City of Fremont, California

On the _____ **day of** _____, **20** 06 .

GENERAL PLAN LAND USE DIAGRAM (SECTION)

AFFECTS LAND USE DIAGRAM(S) FOR THE INDUSTRIAL PLANNING AREA



From: General Industrial w/Commercial-Industrial Overlay

To: Commercial- High Volume Retail

[pc on 2006-01-26] 66-372

Project Name: The Globe

Project Number: PLN2005-00061 (gpa)

SR

Exhibit “B”

CEQA Findings and Statement of Overriding Considerations

PLN2005-00061 – The Globe

ENVIRONMENTAL EFFECTS THAT CANNOT BE MITIGATED TO A LESS-THAN-SIGNIFICANT LEVEL

The following significant impact would not be mitigated to a less-than-significant level, even with the implementation of the identified mitigation measures that are set forth below. In addition to the specific findings noted below, the City of Fremont has determined that specific economic, legal, social, technological, or other considerations make infeasible the project alternatives identified in the Final EIR.

The City of Fremont has determined the impact identified below is acceptable because of overriding economic, social or other considerations, as described in the Statement of Overriding Considerations. As required by CEQA (*Guidelines*, Section 15093), the Statement of Overriding Considerations is presented in addition to these Findings.

Air Quality

1. **Impact 3.1.2: New Traffic Generated by the Project Would Increase Regional Emissions.** Project emissions would exceed these thresholds of significance for ozone precursors (ROG and NO_x) and PM₁₀, so the proposed Project would have a **significant adverse environmental impact** on regional air quality. This is also considered a **significant cumulative environmental impact**.

The City of Fremont finds that as to such significant effects identified above:

Changes or alterations have been required in, or incorporated into, the project which would lessen the significant environmental effect thereof as identified in the EIR, but such effects would continue to be considered significant.

This finding is based on the fact that the City of Fremont shall adopt and require the project developers to implement the following mitigation measures:

Mitigation Measure 3.1.2: Reduce Vehicle Trips. The following are feasible mitigation measures identified by the BAAQMD for commercial development:

- Provide transit facilities, e.g., bus bulbs/turnouts, benches, shelters, etc.
- Provide bicycle lanes and/or paths, connected to community-wide network.
- Provide sidewalks and/or paths, connected to adjacent land uses, transit stops, and/or community-wide network.
- Provide secure and conveniently located bicycle storage.

- Provide preferential parking for electric or alternatively-fueled vehicles.
- Implement feasible transportation demand management (TDM) measures including a ride-matching program, coordination with regional ridesharing organizations and provision of transit information.

While the above measures have the potential to reduce Project-related emissions by five to ten percent, this would not be sufficient to reduce Project emissions below the BAAQMD significance threshold of 80 pounds per day, so Project-related regional air quality impacts would remain singularly and cumulatively significant after mitigation. This represents a *significant and unavoidable environmental impact* associated with the Project as proposed.

The City of Fremont also finds that as to such significant effects identified above:

Specific economic, legal, social, technological or other considerations, make infeasible project alternatives identified in the EIR.

The basis for these two findings is discussed below.

Basis for Findings:

Given the BAAQMD-recommended approach used for determining cumulative air quality impacts, there is no specific point at which **Mitigation Measure 3.1.2: Reduce Vehicle Trips** would be effective enough to reduce the project contribution to a less-than-significant level. Even with a substantial reduction in the project air pollutant emissions, those emissions, together with the emissions from reasonably foreseeable development, would likely exceed the BAAQMD thresholds for at least one criteria pollutant.

In addition, there is no guarantee that all of the measures identified in **Mitigation Measure 3.1.2: Reduce Vehicle Trips** would be maximally effective in mitigating the impact. The Final EIR provides an estimate of the effectiveness of the mitigation measure. The *BAAQMD CEQA Guidelines* states that, “in cases where a range of estimated effectiveness is provided, the low end of the range should be used unless local conditions warrant a higher figure.”

STATEMENT OF OVERRIDING CONSIDERATIONS

The FEIR identifies significant unavoidable impacts from the Globe General Plan Amendment that cannot be mitigated to a less than significant level. The Planning Commission finds there are specific overriding economic, legal, social, technological or other benefits of the project, as set forth below, which outweigh the significant effects on the environment.

STATEMENT OF FACTS SUPPORTING STATEMENT OF OVERRIDING CONSIDERATIONS

The City of Fremont has concluded that the Globe General Plan Amendment, as proposed and with identified mitigation measures, is most capable of meeting the applicant’s objectives with

the least environmental impact. However, pursuant to Public Resources Code Section 21081, prior to approving a project that has identified an unavoidable significant impact, the Planning Commission is required to find that there are specific overriding economic, legal, social, technological or other benefits of the project which outweigh the significant effects on the environment. The unavoidable significant effect on the environment is set forth below, followed by the findings supporting a determination that there are overriding considerations for moving forward with the project despite this potentially significant effect.

SIGNIFICANT AND UNAVOIDABLE IMPACT

Air Quality – Impact 3.1.2: New Traffic Generated by the Project Would Increase Regional Emissions.

Given that vehicular traffic associated with the proposed project alone would generate emissions of Reactive Organic Gases (ROG), Nitrogen Oxides (NO_x) and Particulate Matter (PM₁₀) that would exceed the 80 pounds per day threshold of significance established by the Bay Area Air Quality Management District (BAAQMD) by approximately 48.9 pounds per day, 50.1 pounds per day and 31.4 pounds per day, respectively, it is clear that the project would have a significant adverse impact on regional air quality, both singularly and cumulatively.

The Draft and Final Environmental Impact Report have identified measures that, taken together, could be employed at the project site to reduce project-related emissions by approximately five to ten percent (see **Mitigation Measure 3.1.2: Reduce Vehicle Trips.**).

Specific Overriding Benefits:

1. Significant Effect: Cumulative Operational Emissions air quality impact.

Benefits and Findings of Fact: The Bay Area Air Quality Management District (BAAQMD) CEQA Guidelines has a specific methodology for determining cumulative impacts for air quality. All feasible mitigation measures, as listed in detail above, have been identified and required as part of the Final EIR and Mitigation and Monitoring Plan.

By approving this General Plan Amendment, the City of Fremont will be providing hundreds of new jobs and an important sales and property tax revenue stream for City services. The City Council of the City of Fremont has recognized that Fremont currently experiences a leakage of sales tax dollars of approximately \$900 million a year as City residents do their shopping in neighboring communities. Having new regionally oriented retail and entertainment uses within the city limits at this site would help to capture more of the Fremont residents' tax dollars, as well as tax dollars from consumers outside of Fremont. The retail uses proposed could also provide convenience to Fremont residents who are now shopping at similar retail venues in adjacent or nearby communities. Development of the Project site as proposed under the General Plan Amendment would first require the clean-up of hazardous materials at the site, and would involve the redevelopment of dilapidated buildings for better utilization of the site. These two improvements significantly add value and capital to the project site and the City of Fremont.